

## FISCAL YEAR 2020/21 RECOMMENDED BUDGET 101 July 14, 2020

## Topics for Today

- County Profile
- Budget Mandates
- Budget Process
- Where to find the County Financial Information
- What to expect at the Budget Hearings



## Contra Costa County Profile

- Contra Costa County was incorporated in 1850 as one of the original 27 counties of California.
- A five-member Board of Supervisors, each elected to four-year terms, serves as the legislative body of the County, which has a general law form of government.
- Also elected are the County Assessor, Auditor-Controller (the 'County Auditor-Controller'), Clerk-Recorder, District Attorney, Sheriff-Coroner and Treasurer-Tax Collector (the 'County Treasurer').
- The County Administrator, David Twa, is appointed by the Board and is responsible for running the day-to-day business of the County. The County Administrator is also responsible for presenting the Board with a Recommended Budget for consideration of adoption as the Final (Adopted) Budget, which will serve as the foundation of the County's financial planning and control.

## Employment by Industry Annual Averages – Ranked for 2018

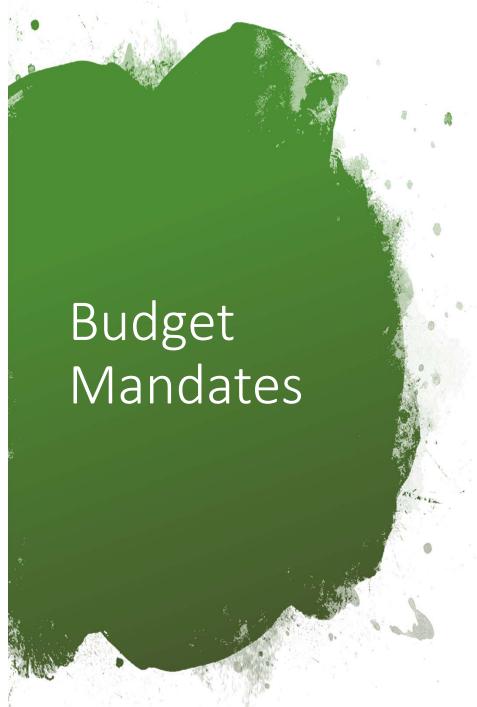
	<u>2014</u>	<u>2015</u>	<u>2016</u>	2017	<u>2018</u>	,
Wage & Salary Employment						
Educational & Health Services	61,500	64,100	67,400	69,200	70,600	18.9%
Trade, Transportation & Utilities	60,400	62,500	64,800	65,300	64,200	17.2%
Professional & Business Services	53,200	50,900	52,000	54,400	55,200	14.8%
Government	49,200	49,300	49,900	50,400	50,900	13.6%
Goods Producing	37,100	37,800	39,700	41,100	41,800	11.2%
Leisure & Hospitality	36,300	38,300	40,100	40,800	40,500	11.1%
Financial Activities	25,000	26,300	26,900	27,300	26,900	7.2%
Other Services	12,500	12,700	12,900	13,000	13,400	3.6%
Information	8,300	8,300	8,000	8,000	7,800	2.1%
Farm	800	700	800	800	700	0.2%

Source: State of California, Employment Development Department, Labor Market Information Division, October 2019 data

## Principal Employers: Current and Ten Years Ago (Excluding Government Employers)

	2019 <sup>(1)</sup>	2009(2)		
	Estimated	Estimated	Rank	
Employer	Employees	<b>Employees</b>		
Chevron Corporation	10,000+	4,700	1	
Chevron Research & Technology	5,000 - 9,000			
24-hour Fitness		1,300	6	
Bio-Rad Laboratories, Inc.	1,000 - 4,999	1,700	4	
Chevron Richmond Refinery	1,000 - 4,999			
Job Connections	1,000 - 4,999			
John Muir Health Concord Hospital	1,000 - 4,999	1,500	3	
John Muir Health Walnut Creek Hospital	1,000 - 4,999	1,900	5	
Kaiser Foundation Hospital		2,300	2	
Kaiser Martinez Medical Offices	1,000 - 4,999			
Kaiser Permanente Antioch	1,000 - 4,999			
Kaiser Permanente Walnut Creek	1,000 - 4,999			
La Raza Market	1,000 - 4,999			
St. Mary's College of California	1,000 - 4,999			
USS-POSCO Industries	1,000 - 4,999	975	8	
Doctors Medical Center		1,000	7	
Bank of the West		800	10	
Broadspectrum Americas	500 - 999			
C & H Sugar Co Inc	500 - 999			
Contra Costa Newspapers, Inc.		900	9	
Nordstrom	500 - 999			
Robert Half Intl	500 - 999			
San Ramon Regional Medical Center	500 - 999			
Santa Fe Pacific PipeLines	500 - 999			
Shell Oil Products	500 - 999			
Tesoro Golden Eagle Refinery	500 - 999			

<sup>(1)</sup> Source: State of California Employment Development Department, extracted from the America's Labor Market Information System (ALMIS) Employer Database, 2020 1st Edition. (2) Source: Rich's everyday Sales Prospecting Directory (2009) – Contra Costa County

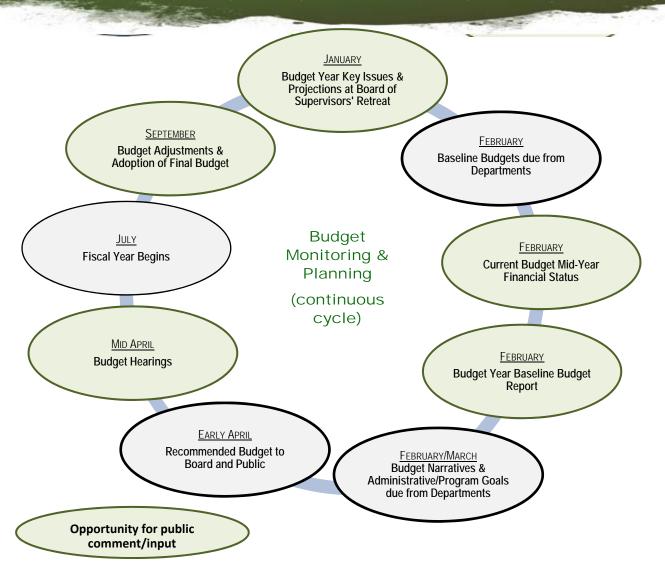


- County budgets are not easy to compare.
   As a General Law County, Contra Costa has more restrictions than a Charter County and therefore has less revenue generating authority than other counties.
- Contra Costa also operates a hospital. Most California county hospitals have closed due to lack of funding.
- Contra Costa has mandated functions, which it is required to provide, regardless of funding. Some of these functions are mandated, but the service level is not.
- Functions identified as 'discretionary' are often those most desired by the community. Homeless programs, Meals on Wheels/senior nutrition, child abuse, disaster planning, administration, economic development, and veterans services as examples.
- The annual budget book has two thorough listings of County programs by discretionary level. One is sorted by department and the other by service and level.



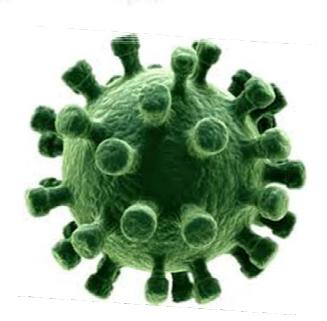
## 'Normal Budget Process'

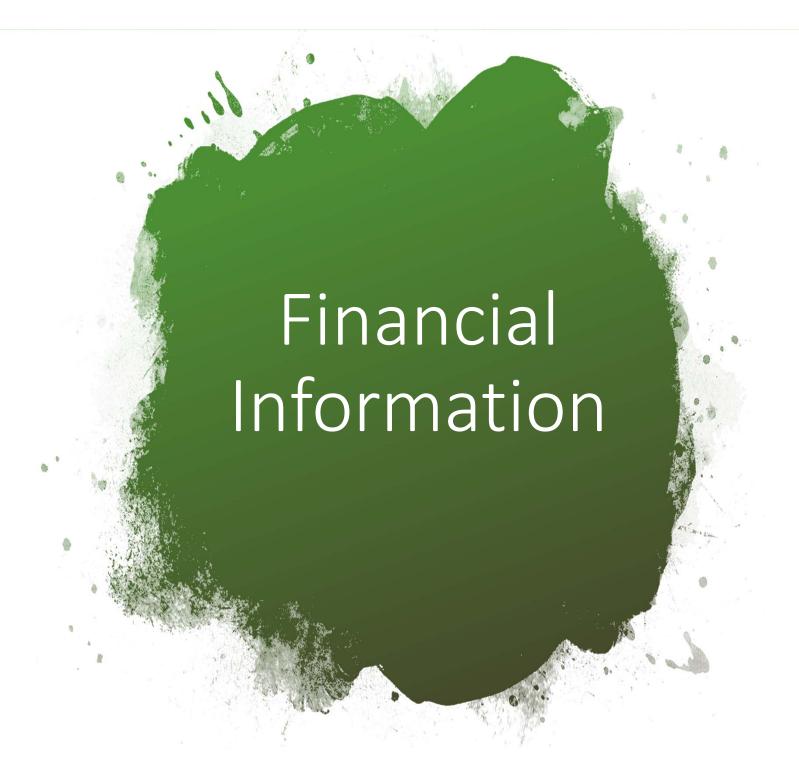
The County budget process is a continuous cycle of developing, monitoring and planning, with specific steps each year to achieve adoption of the Final Budget

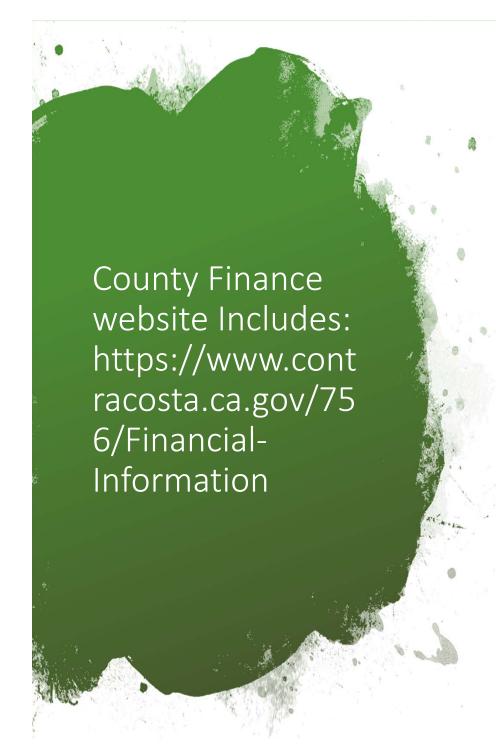


## 'COVID Budget Process'

- October, 2019 April, 2020 Prepared pre-COVID FY 2020/21 Recommended Budget
- April 10 Published Recommended Budget
- April 28 Adopted Budget Schedules for July 1 spending authority
- July 14 Budget 101
- August 4 Begin Budget Hearings
- August 11 Adopt Changes to Recommended Budget including any Lay-Off Resolution
- September 1 Lay-offs Effective
- September 15 Adopt Budget as Finally Determined
- October-December Review/revise as needed







- Budget Information
- Learn about the budget process and review current year and past years' budget documents.
- Debt Information
- Read about Tax Revenue Anticipation Notes (TRANs), Bonds and other County debt.
- Financial Policies
- Access current County policies regarding budget, investment, reserves, debt, and workers compensation.
- Other Post Employment Benefits (OPEB)
- Learn about OPEB, read Board Orders & reports regarding how Contra Costa is handling the OPEB liability.
- PARS Public Agencies Post Retirement Health Care Plan Trust Agreement
- Access current County policies, reports, meeting information and materials.
- Pension
- Learn about County Pension issues and changes.
- Sales Tax
- Access Sales Tax information for Contra Costa County.
- Board Administered Special Revenues
- See a list of Board Administered Special Revenues



#### Administration / Systems Support

To provide general management of the financial information and accounts of all departments, districts, and other agencies governed by the Board of Supervisors.

#### Property Tax

To build the countywide tax roll and allocate and account for property tax apportionments and assessments for all jurisdictions in the County.

#### Payroll

To process payroll for all County departments, most fire districts, some special districts, and some non-county regional agencies.

#### General Accounting / Accounts Payable

To manage the countywide Financial System and process various types of fiscal information for county departments, special districts, and other non-county agencies. To maintain the general ledger. To enforce accounting policies, procedures, and processes.

#### Internal Audit

To develop and execute audit programs for the examination, verification, and analysis of financial records, procedures, and internal controls of the county departments.

#### Special Accounting

To assist in preparing the budget documents for the County and special districts, including monitoring expenditures for budget compliance. To prepare the countywide Cost Allocation Plan.

# Difference between a Budget and the Comprehensive Annual Financial Report (CAFR)



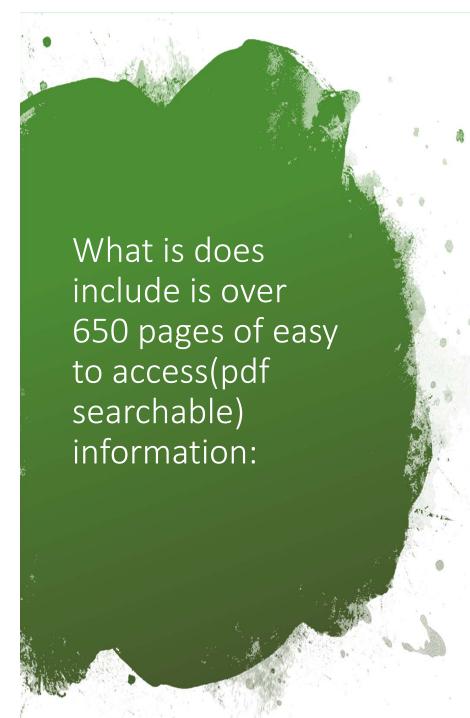


### Fiscal Year 2020 – 2021 Recommended Budget

County of Contra Costa California



The Recommended Budget as printed does not include <u>ANY</u> Financial/Programmatic Impacts of COVID-19



- A Budget Message and County Profile,
- An overview of the County including it financial policies, historic perspective, Org chart, Standing Committees of the Board, Advisory Bodies, etc.
- Detailed descriptions of programs operated by the County from Airports to Zoning
- In-depth discussion of major revenue sources
- Changes in Projected Fund balance, history, and definitions
- Capital Improvement Projects
- Current Debt Position
- List of programmatic changes from the previous budget
- Mandatory/discretionary listings by program
- Fund definitions
- Budgetary Fund Structure
- Table of Funds
- Glossary of Acronyms & Terms
- Subject Index
- and more

Agriculture General Government



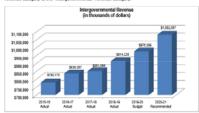
County of Contra Costa FY 2020-2021 Recommended Budget

County Summary Information

#### DISCUSSION OF MAJOR REVENUE SOURCES

#### Intergovernmental Revenue: \$1.082 Billion/27.4% of Total Sources

This maper revenues course includes a facultant some formation of the state of the as health, mental health and various social service programs. Note that a significant protion of the increase in FY 2002-21 is due to recategorizing \$72.2 million from the "Charges for Services" revenue category to the "Intergovernmental revenue category.



State Aid Realignment-Sales Tax (\$229.0 million): Contra Costa's total Realignment-Sales Tax revenue is budgeted at \$229.0 million, 78.9% of which is comprised of 2011 Realignment Fund revenues. The 2011 realignment plan chafted the reopposition) and funding for a series of major programs from the State to local level. In total, the realignment farsh provides \$3.5 billion in the current year and \$8.6 billion is estimated in F2 (2002-11 or F2 2002-71 Contra Costa Country's share of community corrections base allocation will be increased; however, while our Tease' is increasing in F2 (2002-71 over F2 2019-20, the percentage share that our Country receives or the statewise allocation remains fased. Realignment revenue at dependent on a statewise pool of intros, which is centered from Vertice Lorence Year and a portion of the State January Proposed Budget.

ORGANIZATION OF THE RECOMMENDED BUDGET BOOK

This Fiscal Year 2020-21 Recommended Budget book is designed to be both informative and early-to-use and is divided into the sections described below: BUDGET MESSAGE

The opening pages of the FY 2020-21 Recommended Budget book is the official transmittal focument for the Recommended Budget to the Board of Supervisors and officians of Contra-Costa Country from the Country Administrator, David Yes.

#### DEPARTMENTAL BUDGET SUMMARIES BY FUNCTIONAL GROUP

QUENTIMENTAL BURGET SUBMINISTER OF POINT-TOMAK GROOP
In the section, Control populments are deviced into these Feddonal Group: General
Ownerment, Health and Human Straticus and Lea and Jastica. The General Government
of the section of the section

The Compensate forms in challe for social relevation to 34 Count Finds, when it seems to the challenge of the County of the Cou

County of Centra Costs FY 2020-2021 Recommended Budget

County Summary Information

CHANGES IN PROJECTED FUND BALANCE 1301 1,007 4,000 (0.00%) 4,210 30.005 92.02 12.05 1,440 1,000 1,000 1,000 10,101 100.07 20.020 1,76 90.007 20.040 120.00 1,10 40,210 40,200 30.00 1,10 40,210 80,510 1,256 Special Revenue 1,000 1,000 1,000 (00%) (0.007 (0.0%) (0.0 1,618 24,627 942 6362 UH 126 2607 126 - 126 8707 126 8707 126 8874 126 1,862 14,275 Nongenial Restrict Contribut Assigned Unassigned 10348 98,797 91,728 | N/N | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1.50 | 1 Total Marie 1321 394,363 341 45328 601341 

Final, believes represents enconditioned resources or other laquidicate, convertible easiests in exceed that flexibles if its budgets purposes, the resources the last of select exceeding the first flexibilities of the resources in present the last partial control of the county described that budgets exceed a present of the resources in present budget observables flexible or under this. Presented in the table select exit in County's Major Observables flexible for the county of the Non-Major Funds in the appropriate, and the fattle Observables flexible selects.

County of Contra Conta FY 2020-2021 Secondarial Bullion

#### CAPITAL IMPROVEMENT PLAN

The County policy for capital asset accounting and budgeting conforms to State definitions and regulations as set forth in the manual of Accounting Procedures for Counties and reflects current values. The proting establishes the basis for transcal classification.

Capital assets are assets of significant value having a utility that extends beyond the currer year. An improvement is replacement of a component part of a capital asset by an improved superior part, an addition of new parts, or an affention or a shuckhast charge to a capital asset that results in a function improvement over its original state that materially adds to the value the asset or appreciately extends its line.

The following capital access are to be capitalized and individually budgeted and controlled: Land. All land acquisitions and land improvements, without regard to cost

Structures and improvements. Premanent structures costing \$100,000 or more, additions structural betterments and ground improvements that cost \$100,000 or more.

Equipment, Equipment includes movatrie personal properly with a unit cost of \$5,000 or more, including sales tax, and delivery and installation charges; additions to capitalized equipment costing \$5,000 or more per item.

Infrastructure. Infrastructure assets are long-leved assets that normally are stationary in nature and can be preserved for a significantly greater number of years than other capital assets, infrastructure assets include roads, bridges, tunnels, drainage systems, water and sever systems, dams, and lighting systems.

intergibles, infampline assets lack physical substance, have a non-financial nature, and have a useful file that extends beyond a single reporting period, examples of infamplish assets include assements, water ingles, indeer ingris, patients, toderands, and computer software, including infermally generated software. Capitalization thresholds for intamplife assets are as thomes."

\$100,000 for all intangible assets acquired after June 30, 2009 – excluding internally developed or modified software and other internally developed intangibles. \$1,000,000 for all internally developed intangible assets acquired after June 30, 2009. \$1,000,000 for retroactive reported intangible assets

Per Budget Policy, the FY 2020-21 budget process again includes strategic planning and financing elements for facilities sneewal and new construction projects (short and long term capital budgets) and a comprehendre program for program for the Country's premote provenment real estables statisties to acqualition, use, disposition and maintenance. This element includes fanding decisions for maintenang the Country's facility active, storing the Board of Expensions to weight

County of Contra Costa FY 2020-2021 Secommended Sudget

County Summary Information

#### CURRENT DEBT POSITION

The most recent Debt Report was issued by the Debt Affordability Advisory Committee on March 1, 2020. Information on the current Debt Position of the County follows:

Outstanding Debt. As of June 30, 2019, the County had a total of \$384.409 million of outstanding Pension Obligation Bonds (POBs) and Lease Revenue Bonds (LRBs)/Lease Revenue Obligations (together the LRBs). As of June 30 for each year the total amount of County outstanding POBs and LRBs was \$447,584 million (2018), \$506.99 million (2017); \$456.8 million (2016); \$489.4 million (2015); \$532.7 million (2014); \$606.1 million (2013); \$634.3 million (2012); \$717.9 million (2011); and \$729.6 million (2010). The County's entire debt portfolio is comprised of fixed-rate debt issues. The County Debt Management Policy permits variable rate financial products such as variable rate demand obligations (VRDOs) only under special circumstances and does not presently permit derivatives such as swaps at any time. Even prior to the implementation of its formal Debt Management Policy, the County took a conservative approach to its debt portfolio and had issued only fixed rate debt. This continued approach shields the County from the various risks associated with derivative instruments ensuring a level of certainty in long term financial and capital project planning. It should be noted that POBs are taxable securities whereas the majority of the County's Lease Revenue Bonds are tax-exempt securities. The exceptions are the 2010 Series A-2 and A-3 bonds, which were issued as Build America Bonds (BABs) and Recovery Zone Economic Development Bonds (RZEDBs), and are taxable but receive a federal subsidy to offset a portion of the taxable interest on the bonds. Thus, the True Interest Costs (TIC) for the taxable POBs and LRBs are generally higher than those for taxexempt LRBs. A detailed, audited list of outstanding lease revenue and pension obligation bonds as of June 30, 2019 is shown below.

#### County of Contra Costa (County Only) Outstanding Lease Revenue and Pension Obligation Bonds and True Interest Cost (as of June 30, 2019) (\$ in thousands)

Bond Issues Lease Revenue Bond and Obligation Issues (LRBs and LROs):	Date of Issue	Final Maturity <u>Date</u>	Principal Amount Issued	Outstanding Principal	True Interest Cost (%)
2010 Series A-1 (Capital Project I - Tax Exempt)	11/16/10	08/01/20	6.790	1.080	4.15%1
2010 Series A-2 (Capital Project I - Taxable BABs)	11/16/10	08/01/30	13.130	13.130	4.15%1
2010 Series A-3 (Capital Project I - Taxable RZBs)	11/16/10	08/01/40	20,700	20.700	4.15%1
2010 Series B (Refunding)	11/16/10	08/01/25	17.435	8.730	3.84%
2012 Lease Revenue Obligations	11/11/12	08/01/27	13,102	8.074	2.68%
2015 Series A (Refunding and Capital Projects)	08/25/15	08/01/35	19.055	15.885	3 18%
2015 Series B (Refunding and Capital Projects)	08/25/15	08/01/28	52.080	38.354	2.40%
2017 Series A (Refunding and Capital Projects)	03/03/17	08/01/27	99.810	69.000	2.33%
2017 Series B (Capital Projects)	05/28/17	08/01/32	100.285	88.900	2.39%
zorr oures o (outries rispers)	Total LRBs		\$342,367	\$261,824	2.00.0
	and LROs		9012,001	9201,021	
Pension Obligation Bond Issues (POBs);	and Error				
Series 2003 A (Taxable)	05/01/03	08/01/22	322.710	122 585	5 38%
	Total POBs		\$322,710	\$122,585	
	Grand Total		\$665,077	\$384,409	

1. The yield shown is the blended TIC for all three indicated series, net of the receipt of federal subsidies of interest cost.

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County of Contra Costa FY 2020-2021 Recommended Budget

#### Glossary of Acronyms & Terms

AAS – Adult and Aging Services. Within the Employment and Human Services Department assists older adults and people with disabilities to maximize selfsufficiency, safety and independence.

#### AB - Assembly Bi

ACA – Alfordable Care Act. The short name for the Patient Protection and Alfordable Care Act, a federal overhaul of the U.S. healthcare system.

#### ACCJIN - All County Criminal Justice Information Network

Accrual – an accounting adjustment that recognizes revenues and expenses in the period earned or spent, regardless of the timing of related cash flows.

#### ACER - Arraignment Court Early Representation

#### ACR - Ambulatory Care Redesign

Actuarial Accrued Liability (AAL) — as assessed by an actuary, relating to benefits, represents the present value of they projected benefits attributable to service crook that the present value of the project of the project of the project of the thatthe employee service is excluded for retires, this is equal to the present value of benefits. For active employees, this is equal to the present value of benefits prorated by service to date over service at the expected reterment age.

Ad Valorem Tax (AV) — An ad valorem tax is a tax based on the assessed value of real estate or personal property. Ad valorem taxes can be property tax or even duty on imported ferms, Property ad valorem taxes are the major source of revenue for state and municipal governments.

Adjusted Budget – the spending authority for a fiscal year, adjusted pursuant to State statute and/or County policy, to reflect actual expenditures and/or revenue realized to ensure the budget remains in balance.

#### ADL - Activities for Daily Living

AED - Automated External Defibrillator

#### AFDC - Aid to Families with Dependent Children

Agreed upon Temporary Absences (ATA) – temporary absence program bargained with the majority of the County's employee groups. The program runs from July 1, 2009 through June 30, 2011 and reduces the hours worked and compensation rockived by 48 hours in each of the two fiscal years.

#### AIM - Access for Infants and Mothers

County of Contra Costa FY 2020-2021 Recommended Budget

**Budgetary Fund Structure** 



County of Contra Costa FY 2026 2921 Recommended Budget

Table of Funds – Financial Fund Order

Fund Type	Fund Number	Fund Title	Fund Description
COUNTY - Gew	emmental		
General	100380	GDATAL.	To account for resources traditionally associated with governments, which are not required legally to be accounted for another fund. The General Fund is the primary operating fund of the County.
Special Revenue	105600	COUNTY LAW EMPORCEMENT CAPTRAL PROJECT	To account for expenditures and revenues for the replacement enforcement of a County-side bas enforcement recourge switching computer and Sheriff's communications equipment episcement.
Capital Project	105800	AMENIE HALL-CAPITAL PROJECT	To account for expenditures and revenues for planning the replacement of the County Juvenile Half.
Capital Project	109400	ELLMADOD CAPITAL PROJECT	To account for expenditures and evenues for the Elimecod - E capital project.
Special Revenue	110000	RECORDER MODERNIZATION	To account for the process converting records and modernizing computerized systems in the County Recorder's Office.
Special Revenue	110100	COURT / CLERK AUTOMATION	To account for the cost of automating the Count's recordisaeping system.
Special Revenue	110200	FSH NO SHIE	To account for expenditures and fines levied for violation of the California Path and Game Code. Faird is restricted to the propagation and comeanation of that and game in the Gounty, a education and youth activates related to fish and game.
Special Revenue	116380	UND DEVELOPMENT FUND	To account for funding related to land development and to regularize the subdivision and public improvement development in complants with Subdivision Map Act and other state and local laws.
Special Revenue	110400	CRIMINALISTICS LABORATORY	To account for revenue generated from thes levied for various controlled substance violations to be used for accountry analysis
Special Revenue	110500	SURVEY MONUMENT PRESERVATION	To account for funding used to estace major historical and dis- lines upon which later surveys are based.
Special Revenue	110000	CRIMINAL AUSTICE FACILITY CONSTRUCTION	To account for the expenditures and revenues for projects fund with penulty assessments levied on count frees for criminal justi- facility construction, systems development and operations.
Special Revenue	116766	COURTHOUSE CONSTRUCTION	To account for the expenditures and revenues from penalty accessments levied on count fines for the purpose of countrous construction.
Special Revenue	110000	ROAD	To account for funding for road construction and improvement projects to provide the public with a safe, one effective, and environmentally acceptable road system. Funding from state highway laws and other revenues.
Special Revenue	110900	TRANSPORTATION IMPROVEMENT	To account for the development, implementation and maintenar of a County Growth Wanagement Program.
Capital Project	111000	SANS CRANTE DRANAGE	To fund design and construction of drainage improvements for Same Craims Chainage area.
Special Revenue	******	PRINTE ACTIVITY BOND	To account for County Private Activity Bond New received from single and multiple denily housing programs that are used to fur program used and frames properly application related to affordable housing and according development projects.
Special Revenue	111380	AFFORCABLE HOUSING SPECIAL REVENUE	To account for funding received from the federal affordable hou program used to provide financial assistance for affordable hou projects and economic development.
Special Revenue	111400	MAY TRANSPORTATION MITISATION	To account for the implementation of various transportation improvement projects near the Concord Naval Resignors States
Special Revenue	111500	TOSCOSOLANO TRANSPORTATION MITISATION	To account for financing from TOSCO used to implement various transportation improvement projects near Solano Avenue.

FUND-CATEGORY

STREET, CONTRACTOR CONTRACTOR

#### Mandatory/Discretionary Program Listing - By Department

	Fregue	kente	Level	Esperattures	Funding States	Second Fund MCC	m	Same	Esphanism
lat	when they're an	Chusen							
1	Adventure	w	p	110300	÷	21000	43	*	Freeba dealer and hymost come. As any and implement police; and procedure, in sugar of the operations of the begantre
1.	Agricultural Disease	w	5	LENGE	LIPCIN	96.00	223		Froubs enforcement of persons on an enter under registration of an enter under registration of an enforcement of an enter under registration. Conflict Entered the entered of a second person of a entered under the entered under t
1	Supre and Statute	*		115.49	84.76	20274	79		Provide accounts of the treatment published by performing sequent published by performing sequent published by performing sequent published and published application set to the sequent published sequent published as the sequent published and published as provided by providing these law published as provided by providing the sequent published published application of the published and publish
	Coopealine Element	a		20128		24.70	14		Program works all? County form of a southernice side. The southernice side is a southernice side of the southern of a southernice side southernices of the southernice side southernices of the southernices o

County of Contra Costa FY 2020-2021 Recommended Budget

#### County Fund Definitions

<u>Fund</u>: a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances, and changes therein, which are segregated for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions or limitations.

Governmental Funds are generally used to account for tax supported activities; it accounts for the majority of funds; except for those categorized as proprietary or fiduciary

Types of Governmental funds include:

General Fund is used to account for the general operations of government and any activity not accounted for in another fund.

Special Revenue Funds are used to account for resources legally designated for specific purposes and separately reported.

Debt Service Funds are used to account for resources dedicated to pay principal and interest on general obligation debt.

Capital Project Funds are used to account for resources dedicated to acquiring or constructing major capital facilities.

Permanent Funds are used to account for resources legally restricted so only earnings (and not principal) may be used to support governmental programs.

<u>Proprietary Funds</u> are used by governmental activities that operate in a manner similar to that of private sector businesses in that they charge fees for services. Proprietary Funds rely on the full accrual basis of accounting where revenues are recognized when earned and expenditures are recorded when incurred.

Types of Proprietary funds include: Enterprise and Internal Service Funds

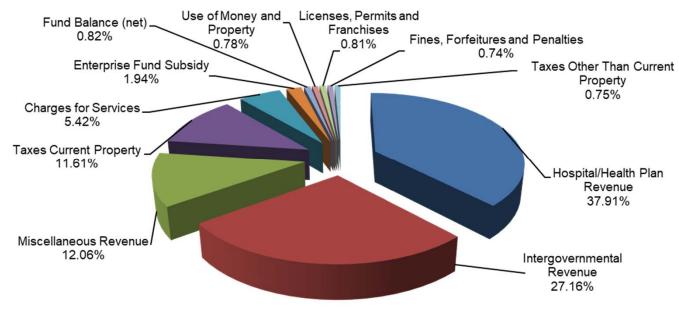
Enterprise Funds are used to account for operations that are financed and operated in a manner similar to private business enterprises (e.g. water, gas and electric utilities, airports, parking garages; or transit systems). The governmental body intends that the costs of providing goods and services to the general public on a continuing basis be financed or recovered primarily through user charges.

Internal Service Funds are proprietary funds used to account for the financing of goods or services provided by one department to other departments of the County or other governmental units, on a cost reimbursement basis.

## Recommended Budget FY 2020/21

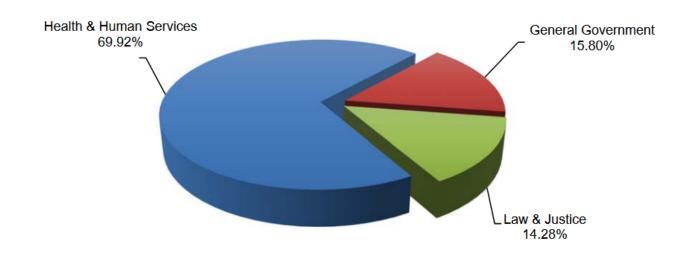
- Began with position allocations as of 1/1/20
- Projected salaries & benefits based upon FY 2020/21 data
- Thoroughly reviewed all revenues for the most part increased revenues
- Updated allocations for occupancy, telephone, data processing, etc.
- Increased or decreased positions based upon funding available
- Finalized Recommended Schedules
- Long-term impact of COVID-19 began to emerge

## FY 2020-21 Recommended Sources



Source of Funds	Recommended FY 2020-21	Percent of Total
Hospital/Health Plan Revenue	\$1,509,902,542	37.91%
Intergovernmental Revenue	1,082,057,270	27.16%
Miscellaneous Revenue	480,262,733	12.06%
Taxes Current Property	462,541,793	11.61%
Charges for Services	215,771,806	5.42%
Enterprise Fund Subsidy	77,231,000	1.94%
Fund Balance (net)	32,670,746	0.82%
Use of Money and Property	31,142,890	0.78%
Licenses, Permits and Franchises	32,123,904	0.81%
Taxes Other Than Current Property	30,014,225	0.75%
Fines, Forfeitures and Penalties	29,644,782	0.74%
TOTAL RECOMMENDED SOURCES	\$3,983,363,690	100.00%

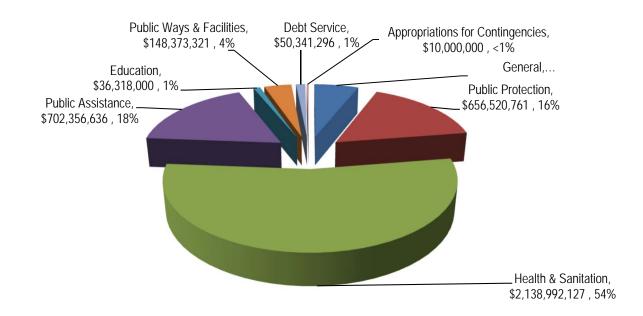
## Appropriations by Function



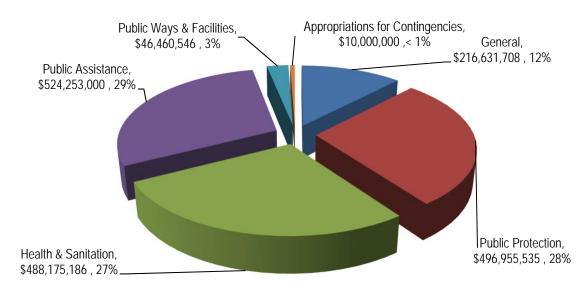
Use of Funds	2016-17 Actuals	2017-18 Actuals	2018-19 Actuals	2019-20 Budget	Recommended FY 2020-21	Percent of Total
Health and Human Services	\$2,390,101,826	\$2,520,789,772	\$2,641,040,699	\$2,801,908,354	\$2,861,027,630	71.82%
General Government	418,537,995	463,470,888	500,510,920	688,392,139	580,251,202	14.57%
Law and Justice	465,874,059	484,479,138	497,331,595	564,505,919	542,084,858	13.61%
Total Requirements	\$3,274,513,881	\$3,468,739,798	\$3,638,883,214	\$4,054,806,412	\$3,983,363,690	100.00%

## Appropriations by State Code

All Funds: \$3.98 Billion



**General Fund**: \$1.78 Billion

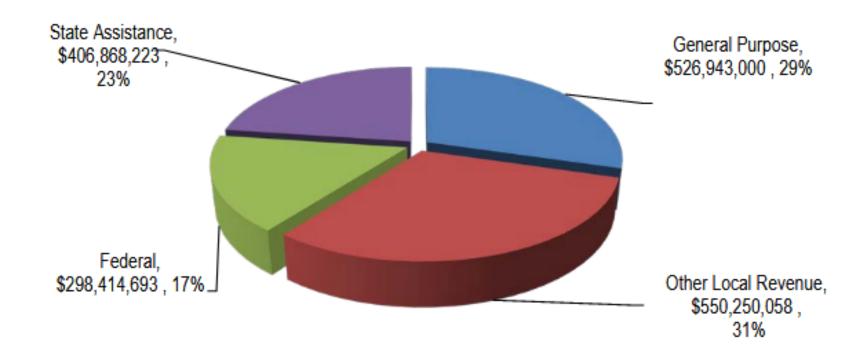


## General Purpose Revenue Pre-COVID-19 Projected \$526.9 Million

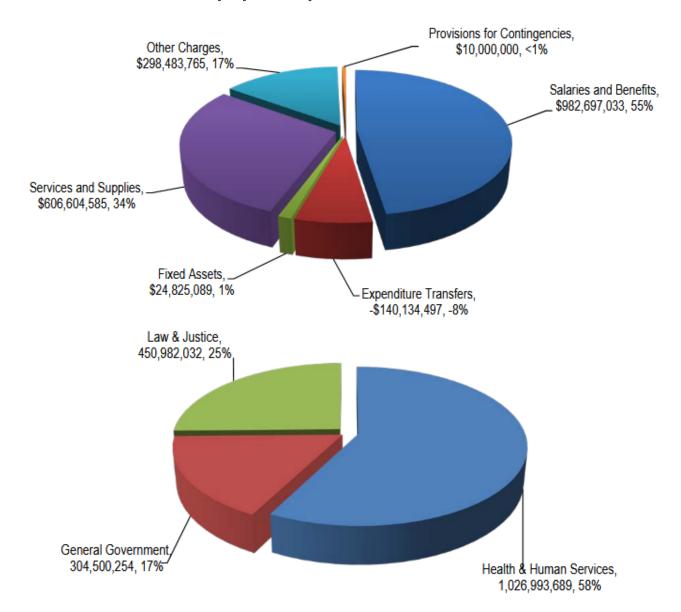
#### **Funding Sources:**

Property Taxes	81.30%	\$428,253,00
Other Taxes	5.70%	30,060,000
Fines Penalties	3.90%	20,600,000
Use of Money	3.40%	18,100,000
License Franchise	1.90%	9,800,000
Intergovernmental	1.80%	9,700,000
Charges for Service	1.70%	8,900,000
Miscellaneous Rev	0.30%	1,530,000

## General Fund Revenue - \$1.782 Billion



## General Fund Appropriations \$1.782 Billion





- Net County cost is an Agency's share of general purpose revenue
- Non-General Fund Departments have a net Fund cost.
- The total net County cost of all general fund agencies is the total general purpose revenue (if the budget is balanced) – if there is a difference – that remainder is either fund balance or reserve use

## Where is the net County Cost? 9 Departments receive 85.1% of the General Purpose Revenue

	2020-21 Baseline		Share of Total	2020-21 Recommended	Share of Total	
Health Services	155,816,000	_	29.7%	158,356,000	30.1%	
Sheriff-Coroner	99,645,000		19.0%	101,605,000	19.3%	
Probation	44,500,000		8.5%	44,500,000	8.4%	
Employment and Human Services	31,383,089		6.0%	31,000,000	5.9%	
Public Defender	29,148,000		5.6%	29,310,000	5.6%	85.19
Public Works	27,000,000		5.2%	27,200,000	5.2%	
District Attorney	23,000,000		4.4%	23,180,000	4.4%	
Assessor	17,000,000		3.2%	17,000,000	3.2%	
Capital Improvements	16,500,000		3.1%	16,500,000	3.1 <u>%</u>	
Superior Court Related Functions	11,320,000		2.2%	11,320,000	2.1%	
Contingency Reserve	10,000,000		1.9%	10,000,000	1.9%	
County Administrator	8,116,000		1.5%	8,116,000	1.5%	
Board Of Supervisors	7,260,000		1.4%	7,260,000	1.4%	
Central Support Services:	7,022,000		1.3%	7,022,000	1.3%	
Clerk-Recorder Elections	6,000,000		1.1%	6,000,000	1.1%	
Conflict Defense Services	5,400,000		1.0%	5,400,000	1.0%	
Animal Services	4,870,000		0.9%	4,500,000	0.9%	
Employee/Retiree Benefits	3,694,000		0.7%	3,694,000	0.7%	
Auditor-Controller	4,237,855		0.8%	3,550,000	0.7%	<del> 14.99</del>
Human Resources	2,828,113		0.5%	2,750,000	0.5%	
Treasurer-Tax Collector	2,675,000		0.5%	2,675,000	0.5%	
Agriculture-Weights/Measures	2,504,336		0.5%	2,500,000	0.5%	
Justice System Development/Planning	1,790,000		0.3%	1,790,000	0.3%	
County Counsel	1,991,698		0.4%	1,450,000	0.3%	
Veterans Service	1,325,000		0.3%	1,325,000	0.3%	
Conservation & Development	785,000		0.1%	785,000	0.1%	
Crockett-Rodeo Revenues	560,000		0.1%	560,000	0.1%	
Department Of Information Technology	95,000		<0.1%	95,000	<0.1%	
Debt Service	(2,500,000)		(0.5%)	(2,500,000)	(0.5%)	
	523,966,091	1	100.0%	526,943,000	100.0%	

## All Fund - Position Summary

	2017-18 Actuals	2018-19 Actuals	2019-20 Budget	2020-21 Baseline	2020-21 Recommended	Net Change
County Departments						<u></u>
Agriculture-Weights/Measures	41.6	44.60	45.6	45.6	44.3	-1.3
Animal Services	77	77.00	77	77	73	-4
Assessor	122	122.00	122	112	112	0
Auditor-Controller	60	60.00	60	60	60	0
Board Of Supervisors	31.9	32.30	31.8	31.8	31.8	0
Central Support Services	45	44.00	43	43	43	0
Child Support Services	144	144.00	153	152	157	5
Clerk-Recorder Elections	82.5	82.50	81.5	81.5	81.5	0
Conservation & Development	173	177.00	186	186	186	0
County Administrator	34	34.00	36.3	36.3	36.3	0
County Counsel	51	52.00	52	52	52	0
Dept of Information Technology	82	84.00	84	85	86	1
District Attorney	205.5	221.50	222.6	222.6	224.6	2
Employ't and Human Services	2,008.60	1902.50	1,903.50	1,852.00	1,872.00	20
Health Services	3,809.70	3917.10	3,879.70	3,879.70	3,908.80	29.1
Human Resources	52	52.00	51	51	52	1
Justice System Dev/Planning	5	5.00	5	5	5	0
Library	197.8	200.70	204.3	204.3	204.3	0
Probation	366.5	367.50	345.5	330.5	330.5	0
Public Defender	115.3	137.10	143	143	143	0
Public Works	527.8	542.80	548.8	549	550	1
Sheriff-Coroner	1,062.50	1058.50	1,062.50	1,062.50	1,087.50	25
Treasurer-Tax Collector	29.5	29.50	30.5	30.5	30.5	0
Veterans Service	9.5	9.50	9.5	10	10	0
Total County FTE	9,333.70	9397.00	9,378.00	9,302.20	9,381.00	78.8
Special Districts						
CCC Fire District-Consolidated	360.6	397.60	413.6	413.6	422.6	9
CCCFPD Ems Transport Fund	7	11.00	12	12	13	1
Special Districts (Not Fire)	16	17.00	17	17	17	0
All Funds FTE	9,717.30	9822.60	9,820.60	9,744.80	9,833.60	88.8

## General Fund - Position Summary

	2017-18	2018-19	2019-20	2020-21	2020-21	Net
	Actuals	Actuals	Budget	Baseline	Recommended	Change
General Fund Departments						
Agriculture-Weights/Measures	41.6	44.6	45.6	45.6	44.3	(1.3)
Animal Services	77.0	77.0	77.0	77.0	73.0	(4.0)
Assessor	122.0	122.0	122.0	112.0	112.0	0.0
Auditor-Controller	60.0	60.0	60.0	60.0	60.0	0.0
Board Of Supervisors	31.9	32.3	31.8	31.8	31.8	0.0
Central Support Services	45.0	44.0	43.0	43.0	43.0	0.0
Clerk-Recorder Elections	71.5	71.5	70.5	70.5	70.5	0.0
Conservation & Development	2.0	3.0	5.0	5.0	5.0	0.0
County Administrator	34.0	34.0	36.3	36.3	36.3	0.0
County Counsel	51.0	52.0	52.0	52.0	52.0	0.0
Dept Of Information Tech	82.0	84.0	84.0	85.0	86.0	1.0
District Attorney	205.5	221.5	222.6	222.6	224.6	2.0
Employment and Human Svc	1,890.6	1,792.5	1,793.5	1,751.0	1,769.0	18.0
Health Services	1,344.8	1,385.7	1,413.7	1,413.7	1,442.8	29.1
Human Resources	52.0	52.0	51.0	51.0	52.0	1.0
Justice System Dev/Planning	5.0	5.0	5.0	5.0	5.0	0.0
Probation	366.5	367.5	345.5	330.5	330.5	0.0
Public Defender	115.3	137.1	143.0	143.0	143.0	0.0
Public Works	489.8	504.8	509.8	510.0	511.0	1.0
Sheriff-Coroner	1,039.5	1,035.5	1,039.5	1,039.5	1,064.5	25.0
Treasurer-Tax Collector	29.5	29.5	30.5	30.5	30.5	0.0
Veterans Service	9.5	9.5	9.5	10.0	10.0	0.0
Total General Fund FTEs	6,166.1	6,165.0	6,190.7	6,125.0	6,196.8	71.8

# Homeless/Mental Health/Housing from all Sources - \$421.88 Million

\$2.86 Billion on Health and Human Services, including **\$391.8 million** on services directly related to homeless; mental health, and housing. And, an **additional \$30.0 million** on homeless housing and wraparound services directly related to COVID-19.

	Recommended Budget FY 2020/21	COVID Additional Programs	
Homeless	\$51,166,663	\$11,301,285	
Mental Health	\$281,928,180	\$227,000	
Housing	\$39,272,627	\$0	
Homeless/Housing	\$19,465,761	\$18,521,628	
Total	\$391,833,231	\$30,049,913	
Appropriations			

Federal/ State	General Fund	CARES Act/ FEMA Funding*
\$43,393,969	\$7,772,694	\$11,301,285
\$261,316,587	\$20,611,593	\$227,000
\$38,328,627	\$944,000	\$0
\$18,007,259	\$1,458,502	\$18,521,628
\$361,046,442	\$30,786,789	\$30,049,913
Sources		



- Carefully reviewing State
   Budget Impacts by Program
- Carefully reviewing potential impacts on all revenues
- Working closely with departments to rebalance programs given limitations of local and State revenues
- Preparing Recommended Reductions for items with 'known' impact

# COVID 19 BUDGET IMPACTS

- State Budget Cuts
- 1991 Realignment Reductions
- 2011 Realignment Reductions
- AB 109 Reductions
- General Sales Tax Reductions
- Prop 172 Reductions
- Property Tax Reductions
- Hospital/Clinics loss of Revenue
- Library loss of Revenue due to Cities Cuts
- Loss of fees & other Revenues
- Increased Pension Costs???
- COVID 19 costs

## 2020/21 BIG TICKET ITEMS Costs Already Projected

- Mandated Mental Health Services in Correction Facilities \$13.5
   Million
- Homelessness Services \$100.4 Million
- CCP continuing to spend down Reserves Will Exhaust by 2023
- Hospital support from General Fund increasing to \$77 Million
- DolT Security Enhancements \$3.5
- IHSS new labor agreement \$5.1 Million
- Finance/Tax Systems \$18 Million Each
- All Unions under Contract CNA comes open in Oct 2021

## **Budget Hearing Agenda**

- 1. County Administrator Presentation
- 2. Department Head Presentations
  - Sheriff, David Livingston
  - District Attorney, Diana Becton
  - Clerk-Recorder, Deborah Cooper
  - Health Services Director, Anna Roth
  - Employment and Human Services Director, Kathy Gallagher
  - Probation Officer, Esa Esa Ehmen-Krause
  - Public Defender, Robin Lipetzky
  - Library, Melinda Cervantes
  - · Animal Services, Beth Ward
  - Contra Costa County Fire Protection District, Lewis Broschard
- 3. Open Public Hearing Public Comment
- 4. Board Discussion/Action

Questions?

